Broken/Lost/Stolen FRC Gift Card Policy

The policy is the **minimum required policy** for both physical and electronic gift cards purchased with FRC/Family Support Field Building funds. FRC/Family Support Field Building organizations may have a policy stricter than this (such as never replacing cards for any reason/under any circumstance).

A. Broken/non-working, lost, or stolen gift cards (physical or electronic) purchased with FRC funds in any amount may only be replaced when <u>all</u> of the following conditions can be met:

    a. The participant reporting the lost/stolen gift card is the <u>same</u> participant who signed for the original gift card. FRC must have documentation of receipt of the original card.

    b. Both the original and the current balance on the card can be verified and documented through screen shots, PDF, or other official record of transactions received from the gift card vendor.

    c. The original card can be canceled and not further used. If the card cannot be canceled, the card may not be replaced whether it is an electronic or physical card and whether or not the balance can be verified.

    d. The gift card was distributed to the participant within the past 12 months.

B. Gift cards with a current balance less than the starting balance may only be replaced with the current balance amount.

C. Gift cards may only be replaced one time per participant per fiscal year regardless of prior or current reason for replacement.

D. The replacement card must be replaced using the same steps as outlined in the DEC gift card use agreement and the canceled card information (card type/number/amount/name of recipient) must be retained in the same location/format as for all gift card documentation, along with a brief description of reason for cancelation and what staff authorized its cancelation.

Additionally:

- Participants must be given written notice of your agency's policy on replacement of gift cards in the participant's preferred language with each gift card distributed.
- Grantees must notify DEC immediately if fraudulent use/activity is suspected with regard to gift cards purchased with FRC funds. DEC will respond with what, if any, further action(s) should be taken.

- Grantees may contact their Program Officer if requesting an exception to the above policy, such as for natural disaster, or other significant reason.
- FRCs wishing to provide participants with a new gift card, in lieu of replacement, must be able to demonstrate that the participant is eligible for the new card and both amounts will count towards the participant's annual maximum amount per DEC Gift Card Agreement.

Some examples:

Scenario	**Replace?**
A. FRC participant states their $50 Triple P graduation incentive gift card was stolen during a burglary of their home. Your agency can look up the gift card number and sees that all of it has been used.	NO - there is no remaining amount to replace. However, FRC participant A states they were hoping to use the Triple P card to help buy groceries this week since the mother was recently laid off. FRC offers the family a $100 basic needs giftcard along with support in applying for CalFRESH. The family now has a current total gift card amount of $150 when counting against their DEC gift card policy maximum. *Invoicing Process:* The $50 will remain a charge on the Incentives line of the FRC budget and the $100 will be charged to barrier removal.
B. FRC participant says their $200 card is broken. FRC looks up the card and sees that it still has the $200 balance. FRC cannot cancel the card but the participant provides the FRC with the original physical card.	Yes, the FRC can replace the card with a $200 balance if the FRC retains and destroys the original broken card. *Invoicing Process:* FRC charges $200 to the barrier removal line.
Two weeks later, FRC participant B loses the replacement card received in the above scenario. The card still has the $200 balance and it could be canceled.	No, because replacement cards cannot be replaced. *Invoicing Process:*

	The FRC will still charge the $200 to their barrier removal line unless the FRC cancels the card and gets the amount refunded. FRC may use its discretion regarding canceling, based on how likely the participant is to find the card at a later date, or may give a grace period before canceling, to give the participant more time to find it.
C. FRC participant states that they lost the $150 card when they moved/there was a fire/dropped it in the street/dog ate it. The FRC can cancel the card but cannot verify the current balance on the card.	No, because the current balance could not be verified. *Invoicing Process:* The FRC will still charge $150 to their barrier removal line because the current balance cannot be verified. FRC should still cancel the card but may use its discretion regarding when to cancel, based on how likely the participant is to find the card at a later date, or may give a grace period before canceling, to give the participant more time to find it.
D. The husband of the original participant brings in a broken card. The FRC verifies the card has not been used and can cancel it.	No, because the husband is not the original participant who signed for the card. The original participant needs to turn in the old card and sign for the new card. *Invoicing Process:* If the card is never turned in, the card amount is still charged to the barrier removal line. The FRC should not cancel the card without speaking with the original participant.
E. FRC participant says their $50 card was lost by their teenager. FRC verifies that $27.50 remains on the card and can cancel the original card.	Yes, the card can be replaced with a new card balance of $27.50. The FRC cancels the old card. *Invoicing Process:* The $50 is still charged to the Barrier Removal Line

FRC participant E, above, receives a second $50 gift card 8 weeks later for additional basic needs. FRC participant reports the second card lost. FRC verifies the card was not used and could cancel the card.	No, Participant E already replaced a card 8 weeks prior. *Invoicing Process:* The $50 should be charged to barrier removal, unless the FRC cancels it and the FRC receives a refund. FRC may use its discretion regarding when to cancel, based on how likely the participant is to find the card at a later date, or may give a grace period before canceling, to give the participant more time to find it.
F. FRC participant says their $25 gift card is broken and provides the card to the FRC. FRC cannot verify the current balance because the card is broken.	No, because the current balance cannot be verified. *Invoicing Process:* FRC charges $25 to the barrier removal line since the current balance cannot be verified.